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ReserveMILK MARKET INFORMATION BULLETIN
CHATTANOOGA, TENNESSEE, MARKETING AREA

Volume 19

JULY 1975

Number 12

Released Pursuant to \$1000.3 and \$1090.86, USDA-AMS
Federal Order No. 90, 112 Lee Parkway Drive, Chattanooga, Tennessee 37411
J. E. Bobo, Market Administrator

MARKET SUMMARY - JULY 1975

The Chattanooga Order MINIMUM uniform producer prices per cwt. at pool plants for milk testing 3.5% butterfat are: Base Milk - \$9.12 and Excess Milk - \$7.40. The producer butterfat differential is 8.8 cents for each one-tenth of one percent above or below 3.5% test. This is a Base and Excess price increase of \$0.46 and \$1.11 respectively above July 1974.

In July 1975, 77.3% of the producer milk received by pool plants was priced in Class I at \$9.17 per cwt. and 12.9% was priced in Class II at \$7.45 per cwt. and 9.8% was priced in Class III at \$7.35 per cwt. The July butterfat differential for all milk testing above or below 3.5% is 8.8 cents.

Total producer milk received during July 1975 was 30,407,932 pounds which is a decrease of 1,822,291 pounds or 5.7% compared with July 1974. Deliveries of producer Base milk exceeded producer milk used in Class I by 734,306 pounds or percentagewise only 97.0% of Base milk was used in Class I. The July 1975 daily average deliveries from 625 producers was 1,569 pounds. This compares to 731 farms delivering a daily average of 1,422 pounds per day during July 1974.

PRODUCER MILK BASE NOTICE

Producers delivering milk to Chattanooga pool plants will be paid a uniform price for their total milk deliveries during August 1975 through February 1976. Each producer for the Chattanooga marketing area will begin September 1, 1975, to establish a new milk base to be used in making payment to such producer during the months of March through July 1976. A producer base is assigned to the name (payroll account) as reported by the handler receiving the milk. Producers, especially partnerships, are urged to see that their name(s) is correctly listed with the receiving plant and the Market Administrator, P. O. Box 8085, Chattanooga, Tennessee 37411.

PLANTS DISTRIBUTING MILK IN CHATTANOOGA FEDERAL ORDER NO. 90 AREA - JULY 1975POOL PLANTS - CHATTANOOGA

Dairymen, Inc., Chattanooga, TN
Flav-O-Rich, Inc., Rossville, GA
Mayfield Dairy Farms, Inc., Athens, TN
Ray Moss Farms, Inc., Chattanooga, TN

Federal Order No. 101, Knoxville
Broadacre Dairies, Inc., Powell, TN
Pet, Inc., Knoxville, TN
Flav-O-Rich, Inc., Knoxville, TN

PARTIALLY REGULATED

Federal Order No. 90, Chattanooga
The Great A&P Tea Co., High Point, NC
Coble Dairy Products Co-op, Inc., Anderson, SC
Tro-Fe Dairy Co., Inc., Cadsden, AL
Sealtest Foods (Kraftco) Ashville, NC

Federal Order No. 7 - Georgia
Dempsey Brothers Dairies, Inc., Rome, GA
Meadowbrook Dairy, Inc., Calhoun, GA
Meadow Gold Dairies of Ga., Cedartown, GA
Superbrand Dairy Prods., Montgomery, AL

Federal Order No. 33, Ohio Valley
Kroger Co., Springdale, OH

Federal Order No. 98, Nashville
Avalon Dairies, Inc., McMinnville, TN

Federal Order No. 49, Indiana
Kroger Company, Indianapolis, IN

COMPARISON OF MILK RECEIPTS AND UTILIZATION
(DAILY AVERAGE POUNDS)

	% Jul. '75 Over Jul. '74	July 1975	June 1975	July 1974
Number of Plants - Pool		4	4	4
- Non-Pool		14	14	14
<u>RECEIPTS</u>				
Pool Plants - Producer Milk	- 5.7	980,901	952,885	1,039,685
- Other Source	- 3.0	61,028	51,477	62,939
- Other Federal Order	-76.2	6,472	2,435	27,168
Non-Pool Plants - Cl. I Sales in Area	- 0.8	48,625	50,482	49,012
TOTAL MILK RECEIPTS	- 6.9	1,097,026	1,057,279	1,178,804
<u>UTILIZATION</u>				
<u>Class I Uses</u>				
Homo Milk	+ 3.0	393,400	374,246	382,025
2% Milk	+18.3	253,448	241,266	214,240
Skim	- 3.1	19,523	19,299	20,148
Buttermilk	+ 5.5	61,548	59,153	58,330
Flavored Milk and Drink	- 5.8	24,733	22,012	26,258
Sub-Total of Pkg. Items (Pool Plants)	+ 7.4	752,652	715,976	701,001
Other		5,708	6,270	
Sales to Non-Pool Plants	-61.2	4,277	-0-	11,021
In Area Sales by Non-Pool Plants	- 0.8	48,625	50,482	49,012
TOTAL CLASS I USAGE		811,262	772,728	
<u>Class II Uses - Pool Plants Only</u>				
Sweet Creams - Routes	+19.3	2,774	2,549	2,326
Sour Cream and Dip - Routes	- 0.4	1,751	1,653	1,758
Yogurt - Routes	+ 8.5	458	504	422
Ice Cream	+33.7	121,549	104,227	90,935
Other		56,652	56,748	
Sales to Non-Pool Plants		4,664	4,818	
TOTAL CLASS II USAGE		187,848	170,499	
<u>Class III Uses - Pool Plants Only</u>				
Animal Feed and Dumped	+ 0.1	5,850	5,753	5,805
Class III Shrinkage		14,723	15,623	
Inventory Variation		(2,175)	29,325	
Other, Overage, etc.		41	41	
Bulk Sales to Non-Pool Plants		79,477	63,310	
TOTAL CLASS III USAGE		97,916	114,052	
<u>IN AREA PACKAGE ROUTE DISPOSITION</u>				
<u>BY POOL PLANTS AND NON-POOL PLANTS</u>				
Homo Milk	- 0.1	293,944	283,010	294,268
2% Milk	+21.2	176,110	167,147	145,290
Skim and 1% Milk	- 9.8	13,812	13,648	15,311
Buttermilk	+ 4.2	47,181	45,758	45,291
Flavored Milk and Drink	- 9.9	18,030	16,225	20,016
Total Class I Disposition In-Area	+ 5.6	549,077	525,788	520,176
<u>CLASS I PKG. ROUTE DISPOSITION</u>				
In-Area by Pool Plants	+ 6.2	500,452	475,306	471,303
In-Area by Non-Pool Plants	- 0.5	48,625	50,482	48,873

1/ The Order was amended effective August 1, 1974 to provide for a three use classification. Therefore, comparison with previous months are not made for all items of use.

COMPUTATION OF WEIGHTED AVERAGE PRICE

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JULY 1975	Class Percent	Butterfat Pounds	Product Pounds	Cwt. Price @ 3.5%	Total Value
Class I Producer Milk	77.310	625,558	23,508,398	\$9.17	\$2,155,720.10
Class II Producer Milk	12.856	308,879	3,909,251	7.45	291,239.20
Class III Producer Milk	9.834	170,947	2,990,283	7.35	219,785.79
TOTAL PRODUCER MILK	100.000	1,105,384	30,407,932		\$2,666,745.09
Less Handler Class I Location Adjustment					-0-
Add Value of Overages					-0-
Add Inventory Reclassification Charges			31,816	.34	108.18
Add Value of Class I Other Source Milk and Producer Location Adjustment					-0-
Add ½ Producer-Settlement Fund Balance					11,559.66
Total Utilization Value @ 3.5% Test			30,407,932	8.808271	\$2,678,412.93
Less Producer Settlement Fund Reserve			30,407,932	.048271	
WEIGHTED AVERAGE PRICE @ 3.5% TEST			30,407,932	\$8.76	

COMPUTATION OF UNIFORM BASE AND EXCESS PRICES

JULY 1975	Product Pounds	Cwt. Price @ 3.5%	Excess Value	Total Value
Total Utilization Value 3.5% Test	30,407,932	xxx	xxx	\$2,678,412.93
Excess Milk Used in Class I	-0-	\$9.17	-0-	
Excess Milk Used in Class II	3,174,945	7.45	\$236,533.40	
Excess Milk Used in Class III	2,990,283	7.35	219,785.80	
UNIFORM EXCESS PRICE @ 3.5% TEST	6,165,228	\$7.40	xxx	456,226.87
Less FMP from unregulated supply plants allocated to Class I @ Wt. Av. Price	-0-		xxx	-0-
TOTAL VALUE OF BASE MILK	24,242,704	9.166412		2,222,186.06
Less Producer-Settlement Fund Reserve	24,242,704	0.046412		11,251.52
UNIFORM BASE PRICE @ 3.5% TEST	24,242,704	\$9.12		\$2,210,934.54

JULY 1975 MINIMUM PRODUCER PRICES CWT. f.o.b. CHATTANOOGA POOL PLANTS
BUTTERFAT DIFFERENTIAL 8.8¢ PER POINT (EXCLUDES PREMIUMS)

TEST-%	BASE	EXCESS	TEST-%	BASE	EXCESS	TEST-%	BASE	EXCESS
3.0	\$8.68	\$6.96	4.0	\$9.56	\$7.84	5.0	\$10.44	\$8.72
3.05	8.724	7.004	4.05	9.604	7.884	5.05	10.484	8.764
3.1	8.768	7.048	4.1	9.648	7.928	5.1	10.528	8.808
3.15	8.812	7.092	4.15	9.692	7.972	5.15	10.572	8.852
3.2	8.856	7.136	4.2	9.736	8.016	5.2	10.616	8.896
3.25	8.90	7.18	4.25	9.78	8.06	5.25	10.66	8.94
3.3	8.944	7.224	4.3	9.824	8.104	5.3	10.704	8.984
3.35	8.988	7.268	4.35	9.868	8.148	5.35	10.748	9.028
3.4	9.032	7.312	4.4	9.912	8.192	5.4	10.792	9.072
3.45	9.076	7.356	4.45	9.956	8.236	5.45	10.836	9.116
3.5	9.12	7.40	4.5	10.00	8.28	5.5	10.88	9.16
3.55	9.164	7.444	4.55	10.044	8.324	5.55	10.924	9.204
3.6	9.208	7.488	4.6	10.088	8.368	5.6	10.968	9.248
3.65	9.252	7.532	4.65	10.132	8.412	5.65	11.012	9.292
3.7	9.296	7.576	4.7	10.176	8.456	5.7	11.056	9.336
3.75	9.34	7.620	4.75	10.22	8.50	5.75	11.10	9.38
3.8	9.384	7.664	4.8	10.264	8.544	5.8	11.144	9.424
3.85	9.428	7.708	4.85	10.308	8.588	5.85	11.118	9.468
3.9	9.472	7.752	4.9	10.352	8.632	5.9	11.232	9.512
3.95	9.516	7.796	4.95	10.396	8.676	5.95	11.276	9.556

CHATTANCOGA ORDER MINIMUM MILK PRICES (3.5 PERCENT TEST)

Date	PRODUCER UNIFORM PRICES 1/				HANDLER CLASS PRICES 1/ 4/		
	Per Hundredweight				Class I	Class II	Class III
	Uniform	Base	Excess	Bf. Dif.	Cwt.	Cwt.	Cwt.
July '74	\$8.20 2/	\$8.66	\$6.29	7.2¢	\$9.08	\$6.29	
Aug.	8.21	-	-	7.7	8.46	6.49	\$6.39
Sept.	8.20	-	-	7.8	8.44	6.79	6.69
Oct.	8.35	-	-	7.9	8.54	6.92	6.82
Nov.	8.66	-	-	7.9	8.84	6.86	6.76
Dec.	8.43	-	-	7.5	8.97	6.51	6.41
Jan. '75	8.56	-	-	7.7	8.91	6.90	6.80
Feb.	8.49	-	-	7.8	8.95	6.95	6.85
Mar.	8.44 2/	8.75	6.86	7.8	9.00	6.96	6.86
Apr.	8.48 2/	8.78	6.95	8.0	9.00	7.04	6.94
May	8.60 2/	8.88	7.04	8.0	9.01	7.12	7.02
June	8.61 2/	8.90	7.13	8.0	9.09	7.21	7.11
July	8.76 2/	9.12	7.40	8.8	9.17	7.45	7.35
Aug.	-	-	-	-	9.26	-	-
Sept.	-	-	-	-	9.50	-	-

Date	PRICE QUOTATIONS			PRODUCER MILK USE 4/				
	Chi. 92° Butter	Chi. Area Powder	Minn/Wisc. Mfg. Milk	(Daily Average)				Percentage Use
	¢ Lb.	¢ Lb.	Cwt. -3.5%	Class I Pounds	Class II Pounds	Class III Pounds	Cl. I	Cl. II Cl. III
July '74	60.83	56.52	\$6.29	715,569	324,116		68.8	31.2
Aug.	67.08	57.05	6.39	719,339	89,630	19,000	86.9	10.8 2.3
Sept.	67.71	56.93	6.69	729,330	71,550	51,283	85.6	8.4 6.0
Oct.	68.84	56.91	6.82	745,752	68,293	34,930	87.8	8.1 4.1
Nov.	68.88	56.94	6.76	782,226	56,786	32,846	89.7	6.5 3.8
Dec.	65.32	56.74	6.41	725,078	60,395	136,814	78.6	6.6 14.8
Jan. '75	66.82	56.73	6.80	764,045	72,610	84,210	83.0	7.9 9.1
Feb.	68.07	59.24	6.85	768,419	80,627	139,425	77.7	8.2 14.1
Mar.	68.07	60.58	6.86	738,878	82,184	181,403	73.7	8.2 18.1
Apr.	69.19	60.66	6.94	759,785	108,797	146,159	74.9	10.7 14.4
May	69.19	60.36	7.02	780,974	92,334	110,920	79.3	9.4 11.3
June	69.19	60.44	7.11	721,087	118,266	113,532	75.7	12.4 11.9
July	76.62	60.45	7.35	758,335	126,105	96,161	77.3	12.9 9.8

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLERS GROSS MILK 3/			PRODUCER DATA					
	No.	Total	Class I	Pool	No.	Total	Base	Average	Av. Per
	Hdlers	Receipts	Use 4/	Plants	Prod.	Delivery	Delivery	Test	Farm
July '74	18	1,178,805	765,797	4	731	1,039,685	841,605	3.59	1,422
Aug.	17	983,351	818,969	3	579	827,969	-	3.62	1,430
Sept.	17	990,981	805,362	3	561	852,163	-	3.64	1,519
Oct.	18	1,009,566	848,006	4	517	848,975	-	3.77	1,642
Nov.	18	1,001,646	862,322	4	549	871,858	-	3.81	1,588
Dec.	18	1,030,894	790,484	4	616	922,287	-	3.94	1,497
Jan. '75	19	1,047,656	837,544	4	525	920,865	-	3.89	1,754
Feb.	19	1,108,305	836,919	4	601	988,471	-	3.85	1,645
Mar.	18	1,124,083	803,678	4	567	1,002,465	841,666	3.87	1,768
Apr.	18	1,122,545	825,321	4	562	1,014,741	854,515	3.78	1,806
May	18	1,101,844	846,701	4	557	984,228	840,125	3.74	1,767
June	18	1,057,279	772,728	4	570	952,885	802,710	3.71	1,672
July	18	1,097,026	811,262	4	625	980,901	782,023	3.64	1,569

1/ Excludes Premium

2/ Weighted Average Price

3/ Other Source is Gross minus Producer

4/ Order amended August 1, 1974, to provide for three classes of utilization; therefore, not comparable in all categories to previous months.